

Solid Waste Advisory Committee Meeting
7 July 2009

Minutes

Attending: Councilors Keith Nyhan, Liz Blanchard, Bill Stetson and Dick Lemieux. Brian Phelps, and Paula Mattis. Arthur Aznive

Public: Elaine Kellerman

Staff: Bob McManus, Jim Howard, Phil Bilodeau, Karon Devold.

PAYT Update

Phil Bilodeau told the committee that he, Bob McManus and Pat Winn spoke with NH Public Radio and the Concord Monitor. Bestway states out of 2300 stops, 230 were non-compliant. Monday's route was 90% compliant and 10 % non compliant. Tuesday's route was 93% compliant, and 7% noncompliant. Truck drivers also wrote down addresses of non compliant residents. 300 calls and walk-ins were taken in the office in the first two days. Bob said trash volume is down 30-40% in the first two days. It was also a holiday week. Bob also said he feels we may need to reach out to apartments of low income. Saw trash piled up on the sides of the building. Also stated the streets look a lot cleaner with the bags and recycling bins.

Councilor Nyhan would like status updates on PAYT for the next couple of weeks placed in the City Manager's weekly memo.

Councilor Nyhan passed out an email from the City manager regarding theft of services. The memo states General Services will be notified of the address in violation and will visit and issue a notice of violation to the property owner to remove within one business day. If that doesn't happen, city will make arrangement for its disposal and bill the property owner for collection and disposal costs.

Single stream Recycling

Jim Howard stated the committee will not be in a position to make a recommendation to City Council by Monday but should request to set the item for public hearing in August and work towards satisfactorily resolving the open issues by the hearing. Issues we wanted resolved should be taken care of now, not later. Jim passed out a resolution from the CO-OP that addresses providing relief from paying debt on the facility construction. Question arose over when the vote would take place on the amendment. The CO-OP joint committee would meet on August 20 to approve. Another question arose as to how, if the

city votes first, it can be sure this matter is resolved? Response was that the vote by City could be conditional on that point. Co-op indicated they have \$12,000,000 in reserve to construct the recycling facility. They also have requirement landfill expansion in Franklin at a cost of \$3,200,000. That may reduce flexibility somewhat to set tipping fee at competitive level. Co-op has Canterbury property along the river to sell. Proceeds from that sale may help alleviate the cost. This will have to be verified.

The margin of participating Co-op members is small now and could change. So it is important that this passes joint board now rather than waiting until the issue arises at a later point. There is relief proposed for the interest rate to be charged which is average. Co-op interest earnings rate plus two percent (2%) instead of putting onus at 6%.

Bottom of first page – key issue is payback at all. Majority of members to vote. Jim feels wording is appropriate now in contract. Joint committee to meet August 20th. Committee feels we should put a condition in our letter and go forward with the public hearing. We can't participate in the facility until January 2011. Council can vote with conditions. Committee feels we should have meeting prior to public hearing.

Jim Howard indicated that Casella has financial issues. Our financial advisors and Bond Council will look into their issues. But it is likely the Co-op can provide appropriately for these.

Question arose over status of tonnage. This is the biggest issue. Portsmouth went with Eco-Maine. We are only at 19,500 tons and the minimum tonnage to affect acceptable tipping fee is 24,000 tons. Not sure why some communities are holding back on this...except that some feel communities are hoping the market will rise and they will make money on the recycling. Nashua has a new Public Works Director and not looking to sign a long term contract at this time. Liz Blanchard spoke to the County Commissioner in Webster. He likes how things are going right now. The committee feels the Co-op needs to market Lamphrey aggressively.

Carlos has looked at the real estate market...think the Co-op purchase and use would be acceptable use and the fund provided for the host agreement of \$125,000 would be appropriate with increases over the life of the agreement. With the Co-op contract expiring in 2019, there is value in the land and improvements being provided for a transfer station. It is also positive for Concord having our hauler go right to Penacook and not have to pay for travel.

Liz Blanchard would like to know the value of the property? Is it tax exempt? Wants to know what it will do to the schools. Is it in current use? Yes. Any property over ten acres can be put into current use.

Tipping fees are funding the money to build the facility. Co-op has the capital up front. Co-op is a very successful entity. If we can pay back in fifteen years...which puts us in the position to provide for solid waste and recycling for the future. If tipping fees are not competitive when the Co-op portion of the debt is included, then the Board could vote to set the budget at a level that would make the tip fee competitive and may not include a capital payment back to the Co-op.

In the 1980's, it was a different environment for waste disposal. Rate order provided electricity revenue because of the laws that existed. It was a more competitive market.

If we don't get the 25,000 tons to start, is the issue dead? Committee members expressed concern that it would be.

Bob McManus said Chip described it as a Mall with anchor stores. Here, Concord is one of the anchors...and we don't know who is or will be the other anchor.

What happens if no facility is built, where does the money go that's in reserve? Co-op has other liabilities, ash fund, etc. Once contract is up in 2019, they would settle up with possible credits or distribution, after all liabilities are met.

Feel we can reduce the risks by going forward now by addressing the Bestway contract for recycling.

The committee agreed to recommend setting this up for public hearing. Come back after July 22nd meeting of the Co-op operating committee to consider the final recommendation to council.

Keith Nyhan indicated the committee cannot lose sight of the Downtown Solid Waste District. Need to wrap it up. Can put it as an agenda item for next time, but, not sure we'll get to it.

Next meeting is August 4th at 4:15 PM at COMF. Want to discuss more issues and maybe have Jim Preshier and Craig Musselman available by phone to ask questions.

Meeting adjourned at 5:35 PM.